

**A RESOLUTION BY COUNCILMEMBER DEBI STARNES
AS SUBSTITUTED BY
COMMUNITY DEVELOPMENT & HUMAN RESOURCES COMMITTEE**

A RESOLUTION AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY OF ATLANTA, TO ENTER INTO A CONTRACTUAL AGREEMENT WITH THE ATLANTA NEIGHBORHOOD DEVELOPMENT PARTNERSHIP, INCORPORATED TO INCORPORATE A NONPROFIT CORPORATION TO SERVE AS THE CITY OF ATLANTA RENEWAL COMMUNITY'S COORDINATING RESPONSIBLE AUTHORITY AND AS ADMINISTRATOR OF THE CITY OF ATLANTA'S REMAINING TITLE XX FUNDS; AND TO ENTER INTO A CONTRACTUAL AGREEMENT WITH THE NONPROFIT CORPORATION TO DESIGNATE THE NONPROFIT CORPORATION AS THE COORDINATING RESPONSIBLE AUTHORITY AND TO TRANSFER ADMINISTRATION OF THE CITY OF ATLANTA'S REMAINING TITLE XX FUNDS; AND FOR OTHER PURPOSES.

WHEREAS, in 1994, the City of Atlanta (the "City") was one of six jurisdictions federally designated as a Round One Urban Empowerment Zone ("EZ") pursuant to Title 42, Chapter 7, Subchapter XX, Section 1397 et. al. of the United States Code; and,

WHEREAS, as a result of being designated an EZ, the City was awarded one hundred million dollars (\$100,000,000.00) in Social Service Block Grant funds ("Title XX Funds"); and,

WHEREAS, the City has a certain sum of unexpended Title XX Funds remaining; and,

WHEREAS, on January 1, 2002, the City was one of forty jurisdictions federally designated as a Renewal Community ("RC") pursuant to Title 26, Subtitle A, Chapter 1, Subchapter X, Part I, Section 1400E-J et. al. of the United States Code (the "RC Statute"); and,

WHEREAS, as a result of the City being designated an RC pursuant to the RC Statute, the City's designation as an EZ ceased; and,

WHEREAS, notwithstanding the City's cessation as an EZ and its designation as an RC, the U.S. Department of Health and Human Services' Administration for Children and Families ("HHS"), and the Office of Community Service ("OCS") have determined that the City may continue to expend the remaining Title XX Funds; and,

WHEREAS, in conjunction with the expenditure of the remaining Title XX Funds, the City's designation as an RC provides the City with the additional opportunity to market tax incentives to attract both housing and commercial developers to the City's designated EZ and RC neighborhoods; and,

WHEREAS, the RC Statute requires all RC designees to elect a coordinating responsible authority ("CoRA") to develop, submit and implement a strategic plan or course of action which meets the requirements of the RC Statute, and to ensure (i) that all City and the State of Georgia (the "State") commitments made in the application for a RC designation are implemented, (ii) that the tax incentives available to the RC designee are marketed to those entities that can best use them, (iii) that economic development occurs in the RC designated areas, and (iv) that all requirements of the RC Statute are met; and,

WHEREAS, pursuant to the RC Statute, the City designated itself as the City's RC CoRA; and,

WHEREAS, the City wishes to designate a newly formed and independent nonprofit Georgia corporation (the "Corporation") as the CoRA and to assign to the Corporation the responsibilities of administering the CoRA and the expenditure of the remaining Title XX Funds; and,

WHEREAS, ANDP has core competencies in the areas of community economic development, community development corporation ("CDC") grant making, real estate development, real estate lending, technical assistance, and training; and, the City desires that ANDP incorporate and facilitate the first annual meeting of the Corporation so that the Corporation may be designated as the CoRA, as outlined in the RC Statute and the City's RC application, and serve as administrator for the expenditure of the remaining Title XX funds; and,

WHEREAS, upon completion of the incorporation and facilitation of the first meeting of the Corporation pursuant to the Agreement, the City, ANDP and the Corporation shall enter into one or more agreements (collectively the "CoRA Management and Operations Agreement") to effectuate the transfer of the responsibilities of the CoRA and administration of the expenditure of the remaining Title XX Funds to the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA AS FOLLOWS:

SECTION 1. That the Mayor is authorized to enter into a contractual agreement on behalf of the City with ANDP to charge ANDP to incorporate a nonprofit Georgia corporation according to the laws of the State of Georgia and section 501(c)(3) of the Internal Revenue Code, as amended, to serve as the CoRA of Atlanta's RC and administrator of Atlanta's unexpended Title XX Funds; and to accomplish these purposes as more fully set forth in Exhibit A containing a copy of said agreement, which shall include the following provisions.

SECTION 2. That pursuant to this contractual agreement, ANDP will be charged with:

- A. Incorporating the Corporation pursuant to the provisions of the Georgia Nonprofit Corporations Code and section 501(c)(3) of the Internal Revenue Code, as amended.

- B. Drafting the Articles of Incorporation and the Bylaws according to the laws of the State of Georgia and approved by the Law Department of the City of Atlanta.

SECTION 3. That the Articles of Incorporation and the Bylaws of the Corporation shall provide for the manner in which Board of Directors members shall be recommended for appointment by the Mayor.

SECTION 4. That Board of Directors shall be recommended according to the following:

- A. Two (2) residents from the original EZ census tracts. These members shall be designated by the seven Neighborhood Planning Units (NPUs) located within the EZ.
- B. One (1) resident from the RC. This member shall be designated the Atlanta Planning Advisory Board (APAB).
- C. Three (3) representatives from the business community. These members shall be designated by the Mayor of the City.
- D. One (1) City representative. This member shall be designated by the Mayor of the City.
- E. The number of members of the Board of Directors shall equal seven (7).

SECTION 5. That members of the Board of Directors of the Corporation shall not be authorized to directly receive Title XX Funds.

SECTION 6. That the Mayor is authorized to enter into a contractual agreement on behalf of the City to designate the Corporation as the Atlanta Renewal Community's CoRA, to charge the Corporation to perform the duties of the CoRA, to transfer the administration of the City's unexpended Title XX Funds, and to accomplish these purposes as more fully set forth in Exhibit B containing a copy of said agreement, which shall include the following provisions:

SECTION 7. That pursuant to this contractual agreement, the Corporation will be charged with:

- A. Performing the duties of the Atlanta RC CoRA, including:
 - i. Marketing the tax incentives associated with the RC Program;
 - ii. Foster economic development with the RC boundaries;
 - iii. Foster the distribution of human services by leveraging Federal, State and City resources; and

iv. Ensure that the State and Local commitments made as a part of the RC application are adhered to.

B. Administrating the unexpended Title XX Funds, including:

i. Facilitating the creation of a Title XX Strategic Plan;

ii. Facilitating a re-benchmarking of Title XX Funds process; and

iii. Administering the unexpended Title XX Funds in accordance with the Title XX Strategic Plan, and all relevant Federal, State and City laws, statutes, rules, regulations and policies.

SECTION 8. That the City shall retain final approval of Title XX expenditures above a certain dollar amount.

SECTION 9. That the Corporation shall follow the State's and City's process for distributing the Title XX Funds.

SECTION 10. That the Corporation will receive compensation for performing its Title XX Administration duties from a Governance Budget funded by the Title XX Funds.

SECTION 11. That the Corporation will receive compensation for performing its CoRA duties in part from the Governance Budget funded by the Title XX Funds.

SECTION 12. That the Corporation will be authorized to hire a Subcontractor to perform all of the duties charged to the Corporation pursuant to the City's contractual agreement with the Corporation.

SECTION 13. That the Subcontractor will be subject to the Corporation's Conflict of Interest Policy, which provides that the Subcontractor may not directly receive Title XX Funds related to a RFP where the Subcontractor is the author and manager of said RFP.

SECTION 14. That the Subcontractor will be compensated for its administration of the Title XX Funds services by the Corporation from the Corporation's Governance Budget; and for its performance of the Corporation's CoRA duties in part from the Corporation's Governance Budget set by the City.

SECTION 15. That the Corporation shall provide timely reports to the City of all activities performed related to the execution of the CoRA duties and the administration of the Title XX Funds.

**CONSULTING AGREEMENT
BETWEEN
THE CITY OF ATLANTA
AND
THE ATLANTA NEIGHBORHOOD DEVELOPMENT PARTNERSHIP**

THIS AGREEMENT REGARDING THE INCORPORATION OF A NON-PROFIT CORPORATION TO SERVE AS THE CITY OF ATLANTA'S RENEWAL COMMUNITY PROGRAM COORDINATING RESPONSIBLE AUTHORITY AND THE ADMINISTRATOR OF THE REMAINING TITLE XX FUNDS GRANTED TO THE CITY OF ATLANTA AS SUB-GRANTEE, made as of the ____ day of _____, 2003 by and between the City of Atlanta, a municipal corporation and political subdivision created pursuant to the laws of the State of Georgia, and the ATLANTA NEIGHBORHOOD DEVELOPMENT PARTNERSHIP, INC., a non-profit corporation organized and existing under the laws of the State of Georgia.

WITNESSETH THAT:

WHEREAS, in 1994, the City of Atlanta (the "City") was one of six jurisdictions federally designated as a Round One Urban Empowerment Zone ("EZ") pursuant to Title 42, Chapter 7, Subchapter XX, Section 1397 et. al. of the United States Code; and

WHEREAS, as a result of being designated an EZ, the City was awarded one hundred million dollars (\$100,000,000.00) in Social Service Block Grant funds ("Title XX Funds"); and

WHEREAS, the City has a certain sum of unexpended Title XX Funds remaining; and

WHEREAS, on January 1, 2002, the City was one of forty jurisdictions federally designated as a Renewal Community ("RC") pursuant to Title 26, Subtitle A, Chapter 1, Subchapter X, Part I, Section 1400E-J et. al. of the United States Code (the "RC Statute"); and

WHEREAS, as a result of the City being designated an RC pursuant to the RC Statute, the City's designation as an EZ ceased; and

WHEREAS, notwithstanding the City's cessation as an EZ and its designation as an RC, the U.S. Department of Health and Human Services' Administration for Children and Families ("HHS"), and the Office of Community Service ("OCS") have determined that the City may continue to expend the remaining Title XX Funds; and

WHEREAS, in conjunction with the expenditure of the remaining Title XX Funds, the City's designation as an RC provides the City with the additional opportunity

Exhibit A

to market tax incentives to attract both housing and commercial developers to the City's designated EZ and RC neighborhoods; and

WHEREAS, the RC Statute requires all RC designees to elect a coordinating responsible authority ("CoRA") to develop, submit and implement a strategic plan or course of action which meets the requirements of the RC Statute, and to ensure (i) that all City and the State of Georgia (the "State") commitments made in the application for a RC designation are implemented, (ii) that the tax incentives available to the RC designee are marketed to those entities that can best use them, (iii) that economic development occurs in the RC designated areas, and (iv) that all requirements of the RC Statute are met; and

WHEREAS, pursuant to the RC Statute, the City designated itself as the City's RC CoRA; and

WHEREAS, the City wishes to designate a newly formed and independent non-profit Georgia corporation (the "Corporation") as the CoRA and to assign to the Corporation the responsibilities of administering the CoRA and the expenditure of the remaining Title XX Funds; and

WHEREAS, ANDP has core competencies in the areas of community economic development, community development corporation ("CDC") grant making, real estate development, real estate lending, technical assistance, and training, the City desires that ANDP incorporate and facilitate the first annual meeting of the Corporation so that the Corporation may be designated as the CoRA, as outlined in the RC Statute and the City's RC application, and serve as administrator for the expenditure of the remaining Title XX funds; and

WHEREAS, this Agreement is only intended to address the incorporation and facilitation of the first meeting of the Corporation by ANDP; and

WHEREAS, upon completion of the incorporation and facilitation of the first meeting of the Corporation pursuant to this Agreement, the City, ANDP and the Corporation shall enter into one or more agreements (collectively the "CoRA Management and Operations Agreement") to effectuate the transfer of the responsibilities of the CoRA and administration of the expenditure of the remaining Title XX Funds to the Corporation;

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the City and ANDP, intending to be legally bound, do hereby covenant and agree as follows:

I. OBJECTIVE

The City does hereby charge and ANDP does hereby accept the charge to incorporate the Corporation and to facilitate the first annual meeting of the Corporation,

Exhibit A

in order to establish the Corporation to serve as the City's RC CoRA and the administrator of the City's remaining Title XX Funds.

II. SCOPE OF SERVICE

- A. **Incorporation.** ANDP shall incorporate the Corporation pursuant to the provisions of the Georgia Nonprofit Corporations Code (the "Code"). To this end, ANDP shall draft the Corporation's Articles of Incorporation to conform to the provisions of the Code and to the following provisions:
1. The purpose of the Corporation shall be to serve as the City's RC CoRA, to administer the remaining Title XX Funds, and all other lawful activities according to the Code.
 2. The duration of the corporation shall be perpetual and the powers shall be those granted under sections 14-3-302 et. al of the Code.
 3. The corporate name of the Corporation shall be the "Atlanta Renewal Community CoRA, Inc."
 4. ANDP shall serve as the registered agent of the Corporation, and the registered office shall be at the physical address of ANDP.
 5. The physical address of ANDP shall be the physical address of the Corporation unless otherwise specified by the City.
 6. The Corporation shall have no members.
 7. The criteria for the board of directors shall be set forth in the Articles of Incorporation as described in Exhibit A, attached hereto.
 8. An appointed director may be removed pursuant to section 14-3-809 of the Code.
 9. The Articles of Incorporation shall require that the Bylaws be reviewed and approved by the Department of Law for the City of Atlanta.
 10. Neither the Articles of Incorporation nor the Bylaws may be amended without prior approval of the City.
 11. The Department of Law for the City of Atlanta shall serve as legal counsel on behalf of the Corporation and shall have sole discretion to engage additional legal counsel.

Exhibit A

- B. Bylaws. ANDP shall draft the Bylaws of the Corporation. The Bylaws of the Corporation shall conform to those provisions set forth above in II. A. and to those provisions more fully set forth in Exhibit A.
- C. First Annual Meeting. ANDP shall facilitate the impaneling of the Board of Directors the Corporation in conjunction with the selection criteria more fully set forth in Exhibit A and shall facilitate the conduct of the First Annual Meeting of the Corporation.
- D. Ancillary Services. ANDP shall use its best efforts and devote such skill, knowledge, and ability as is necessary to carry out the Services listed above in a manner and form that is acceptable to the City. ANDP may hire and consult with outside legal counsel to assist it in carrying out the Services listed above.

III. COMPENSATION

A. The City shall pay ANDP a fee equal to ONE THOUSAND DOLLARS (\$1,000.00) (Fee) upon completion of the Services listed above and the submission of an invoice for the Fee. Such Fee shall be fully earned upon payment thereof and shall not be subject to proration or rebate for any reason.

B. Upon the submission of an invoice for such reimbursement, the City shall reimburse ANDP for the cost of all expenses ("Reimbursement Expenses") relating to or in connection with the Services, including, but not limited to, reasonable attorney's fees actually incurred not to exceed \$1,500, corporate filing fees, taxes and other such fees associated with the completion of the Services listed above .

C. The City shall pay ANDP the Fee and Reimbursement Expenses in the form of a check mailed to the address noted on the invoice for payment of such Fee and Reimbursement Expenses.

D. Services shall be determined as completed and eligible for Fee payment and Reimbursement Expenses upon certification by the Department of Law of the City of Atlanta.

IV. TERM

The Term of this Agreement shall commence on May __, 2003 (the "Commencement Date") and expire forty-five (45) days from the Commencement Date, unless otherwise terminated in accordance with Section V below.

V. TERMINATION

A. This Agreement may be terminated by the City without Cause (as defined in Section V.C. below) by written notice of termination no less than fifteen (15) days

Exhibit A

prior to the termination date sought.

B. This Agreement may be terminated for Cause if, (i) no less than fifteen (15) days prior to the termination date sought, the party seeking to terminate the Agreement provides the other party with a written notice of termination listing the Cause(s) for termination and the details thereto, and (ii) the lapse of an additional fifteen (15) day cure period wherein the recipient of the written notice of termination is unable or unwilling to cure the Cause(s) for termination.

C. For purposes of this Agreement, "Cause" shall mean substantial and ongoing non-performance by ANDP, or moral turpitude or criminal conduct by either party.

D. Upon termination of this Agreement, ANDP shall have no further obligations with respect to the Services hereunder and shall not be liable for any losses, claims, damages, or liabilities arising in any manner out of or in connection with acts taken or omitted to be taken by the City or any of its employees, agents or representatives in connection with the Services after the date of termination hereof.

VI. FORCE MAJEURE

A. If the performance of Services by ANDP is prevented, suspended, or postponed during the Term hereof by reason of any extended illness, fire, casualty, heightened state of emergency, act of terrorism, lockout, labor strike, riot, war, Act of God, or by ordinance, law, order or decree of any legally constituted authority (hereinafter, "*Force Majeure Event*"), then during such Force Majeure Event this Agreement may, at the option of the City, be suspended during the continuance of such Force Majeure Event. In the event that any such suspension described above continues for a period or aggregate of periods of forty-five (45) days, the parties may terminate this Agreement by mutual written consent.

VII. INDEMNIFICATION

A. Subject to Section V.D. above, ANDP shall indemnify the City and hold it harmless against any losses, claims, damages or liabilities to which the City may become subject to, arising in any manner out of or in connection with acts taken or omitted to be taken (including any untrue statements made or statements omitted to be made) by ANDP or otherwise arising out of or in connection with ANDP's rendering of the Services hereunder unless, in a final adjudication, it is determined that such losses, claims, damages, or liabilities arose out of the gross negligence or gross misconduct of the City, to the extent that the City's governmental immunity does not apply.

B. Notwithstanding anything to the contrary contained herein, neither party shall be liable for consequential, incidental, punitive, special, exemplary or indirect damages, or lost profits in connection with claims made by either party or any other third

Exhibit A

party, in connection with this Agreement regardless of the form, or whether in contract or tort.

VIII. ASSIGNMENT OF AGREEMENT

This Agreement, the obligations of ANDP hereunder, and the obligations of the City hereunder shall not be assignable by the City or ANDP without the written consent of the other party.

IX. MISCELLANEOUS

A. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia without regard to the conflict of law principles thereof. The parties hereby agree to submit to the jurisdiction of the courts of the State for the purpose of resolving any dispute arising out of or resulting from this Agreement.

B. Notices. All notices and statements required hereunder shall be in writing and delivered, certified or registered first class mail (postage prepaid and return receipt requested), or via overnight delivery to the addresses set forth below unless notification of a change of address is given in writing. Notice may be sent via confirmed facsimile transmission but a hard copy must also be mailed. Notice shall be deemed given when mailed and faxed as follows:

If to ANDP:	Ms. Hattie Dorsey, CEO and Mr. Ray Kuniarsky Atlanta Neighborhood Development Partnership, Inc. 100 Peachtree Street Suite 700 Atlanta, Georgia 30303 Facsimile Number: (404) 523-4357
If to City:	Mr. Charles C. Graves, III, Commissioner Department of Planning and Community Development 55 Trinity Avenue Atlanta, Georgia 30303 Facsimile Number: (404) 658-7638 and Ms. Stacey Y. Abrams, Deputy City Attorney Department of Law 68 Mitchell Street City Hall Towers, Suite 4100 Atlanta, Georgia 30303 Facsimile Number: (404) 658-6894

Exhibit A

C. No Waiver. The waiver of any breach of this Agreement either by the City or ANDP of any rights, remedies or defenses is not intended and will not be deemed a waiver of any additional rights, remedies or defenses to which such party would be entitled at law or in equity as to such breach. In addition, no waiver by either party of a breach of any term or provision of this Agreement will be construed to be a waiver of any proceeding or succeeding breach of the same or any other term or provision.

D. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument and may be delivered via electronic transmission with the same force and effect as if it were executed and delivered by the parties simultaneously in the presence of one another.

E. Headings. The headings to the Sections of this Agreement are for convenience only and shall not be considered a part of this Agreement or be used in determining the intent of the parties.

F. Severability. If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely approximating the intention of the parties as expressed herein.

G. Survival. The provisions of Section VII (Indemnification) shall survive the expiration or early termination of this Agreement.

H. Modifications or Extensions. Except as otherwise provided herein, this Agreement may only be modified or extended by a written agreement signed by both parties.

I. Entire Agreement. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, supersedes all previous written or verbal agreements between the parties, including but not limited to all representations, warranties, statements, correspondence, and understandings previously made by ANDP or the City with respect to the subject matter of this Agreement.

* * * *

{Signatures on Following Page}

Exhibit A

IN WITNESS WHEREOF, the City and ANDP have caused this Agreement to be executed as of _____, 2003.

**Atlanta Neighborhood Development
Partnership, Inc.**

The City of Atlanta

By: _____

Hattie B. Dorsey, CEO
ANDP, Inc.

By: _____

Mayor Shirley Franklin
The City of Atlanta

Exhibit A

EXHIBIT A

BYLAWS PROVISIONS

The Bylaws of the Corporation shall conform to the Georgia Nonprofit Corporations Code and the following provisions:

I. BOARD COMPOSITION

A. The Board of Directors (the “Board”) of the Corporation shall consist of the following members:

1. Two (2) residents from the original EZ census tracts. These members shall be designated by the seven Neighborhood Planning Units (NPU) located within the EZ.

2. One (1) resident from the RC. This member shall be designated the Atlanta Planning Advisory Board (APAB).

3. Three (3) representatives from the business community. These members shall be designated by the Mayor of the City.

4. One (1) City representative. This member shall be designated by the Mayor of the City.

B. The number of Board members shall equal seven (7).

II. POWERS AND RESPONSIBILITIES

A. The Board shall be charged with developing policy for and implementing the strategic plans of the RC and the remaining Title XX Funds, including:

1. Amending the original strategic plan of the EZ to comport with the strategic plan of the RC and other holistic economic development goals of the RC and EZ areas (Amended Strategic Plan).

2. Re-aligning the remaining Title XX Funds to comport with the Amended Strategic Plan.

3. Developing new policies and procedures for distributing the remaining Title XX Funds.

4. Distribute the remaining Title XX Funds to comport with any and all applicable federal, state, local or internal statutes, laws, rules, regulations or policies

Exhibit A

regarding the expenditure of Title XX Funds.

5. Ensuring all City and State commitments made in the application for the RC designation are implemented; that the tax incentives available to the RC designee are marketed to those entities that can best use them; and, that economic development occurs in the RC designated area.

6. Ensuring that all Federal, State and City reporting requirements pursuant to the RC Program and the administration of the remaining Title XX Funds are adhered to.

III. LIMITATIONS

A. Subcontractors (as defined below) cannot be members of the Board of the Corporation. For purposes of this Agreement, a Subcontractor is an organization or firm, into which the Corporation enters a contractual agreement to staff the Corporation to implement its policies and procedures.

B. Board members cannot submit their names as service providers.

C. A Subcontractor cannot submit its name as a service provider if the Subcontractor is the author of Board's request for proposals or qualifications or recommends the same.

D. Notwithstanding the above, the Board of Directors may permit an entity (including a Subcontractor) to complement or supplement the service capacity of a chosen service provider's ability to execute a benchmark activity, provided the service provider requests the services of the entity in written form.

**COOPERATIVE AGREEMENT
BETWEEN
THE CITY OF ATLANTA
AND
THE ATLANTA RENEWAL COMMUNITY CoRA, INC.**

THIS AGREEMENT REGARDING THE RENEWAL COMMUNITY PROGRAM AND THE ADMINISTRATION OF THE REMAINING TITLE XX FUNDS GRANTED TO THE CITY OF ATLANTA AS SUB-GRANTEE, made as of the ____ day of _____, 2003 by and between the City of Atlanta, a municipal corporation and political subdivision created pursuant to the laws of the State of Georgia and the ATLANTA RENEWAL COMMUNITY CoRA, INC., a non-profit corporation organized and existing under the laws of the State of Georgia.

WITNESSETH THAT:

WHEREAS, in 1994, the City of Atlanta (the "City") was one of six jurisdictions federally designated as a Round One Urban Empowerment Zone ("EZ") pursuant to Title 42, Chapter 7, Subchapter XX, Section 1397 et. al. of the United States Code.; and

WHEREAS, as a result of being designated an EZ, the City was awarded one hundred million dollars (\$100,000,000.00) in Social Service Block Grant funds ("Title XX Funds"); and

WHEREAS, the City has a certain sum of unexpended Title XX Funds remaining; and,

WHEREAS, on January 1, 2002, the City was one of forty jurisdictions federally designated as a Renewal Community ("RC") pursuant to Title 26, Subtitle A, Chapter 1, Subchapter X, Part I, Section 1400E-J et. al. of the United States Code (the "RC Statute"); and

WHEREAS, as a result of the City being designated an RC pursuant to the RC Statute, the City's designation as an EZ ceased; and

WHEREAS, notwithstanding the City's cessation as an EZ and its designation as an RC, the U.S. Department of Health and Human Services' Administration for Children and Families ("HHS"), and the Office of Community Service ("OCS") have determined that the City may continue to expend the remaining Title XX Funds; and

WHEREAS, in conjunction with the expenditure of the remaining Title XX Funds, the City's designation as an RC provides the City with the additional opportunity to market tax incentives to attract both housing and commercial developers to the City's designated EZ and RC neighborhoods; and

Exhibit B

WHEREAS, the RC Statute requires all RC designees to elect a coordinating responsible authority ("CoRA") to develop, submit and implement a strategic plan or course of action which meets the requirements of the RC Statute, and to ensure (i) that all City and the State of Georgia (the "State") commitments made in the application for a RC designation are implemented, (ii) that the tax incentives available to the RC designee are marketed to those entities that can best use them, (iii) that economic development occurs in the RC designated areas, and (iv) that all requirements of the RC Statute are met; and

WHEREAS, pursuant to the RC Statue, the City designated itself as the City's RC CoRA; and

WHEREAS, the City wishes to designate a newly formed and independent non-profit Georgia corporation (the "Corporation") as the CoRA and to assign to the Corporation the responsibilities of administering the CoRA and the expenditure of the remaining Title XX Funds; and

WHEREAS, ANDP has core competencies in the areas of community economic development, community development corporation ("CDC") grant making, real estate development, real estate lending, technical assistance, and training, the City desires that ANDP incorporate and facilitate the first annual meeting of the Corporation so that the Corporation may be designated as the CoRA, as outlined in the RC Statute and the City's RC application, and serve as administrator for the expenditure of the remaining Title XX funds; and

WHEREAS, this Agreement is only intended to address the incorporation and facilitation of the first meeting of the Corporation by ANDP; and

WHEREAS, upon completion of the incorporation and facilitation of the first meeting of the Corporation pursuant to this Agreement, the City, ANDP and the Corporation shall enter into one or more agreements (collectively the "CoRA Management and Operations Agreement") to effectuate the transfer of the responsibilities of the CoRA and administration of the expenditure of the remaining Title XX Funds to the Corporation;

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the City and the Corporation, intending to be legally bound, do hereby covenant and agree as follows:

I. OBJECTIVE

A. To elect the Corporation as the CoRA and transfer the responsibility and operation of the CoRA from the City to the Corporation.

B. To designate the Corporation as the administrator of the remaining Title XX Funds.

Exhibit B

II. ACCEPTANCE OF CoRA DESIGNATION

A. The City does hereby elect and the Corporation does hereby accept the designation as Atlanta's CoRA.

B. The Corporation does hereby agree to abide by all statutes, rules and regulations of the Federal, State, and local jurisdictions as it relates to it being designated as Atlanta's CoRA.

III. ACCEPTANCE OF THE ADMINISTRATION OF THE CITY'S REMAINING TITLE XX FUNDS

A. The City does hereby appoint and the Corporation does hereby accept the appointment as the administrator of the City's remaining Title XX Funds.

B. The Corporation does hereby agree to abide by all statutes, rules and regulations of the Federal, State, and local jurisdictions as it relates to the Corporation administering the remaining Title XX Funds.

IV. SCOPE OF SERVICE

A. The Corporation shall perform in a satisfactory and proper manner, as determined within the sole and reasonable discretion of the City, the services (Services) as described in Exhibit A – Scope of RC Services and Exhibit B – Scope of Title XX Administration.

B. The Corporation shall use its best efforts and devote such skill, knowledge and ability as is necessary to carry out the Services described in Exhibits A and B.

C. The Corporation shall abide by all Federal, State and local statutes, laws, rules and regulations pertaining to the RC Program and the expenditure of Title XX Funds in the execution of the Services.

V. COMPENSATION

A. As part of the rebenchmarking process described in Exhibit B, the Corporation shall amend the current budgeted amount under governance for the administration of the unexpended Title XX Funds (Governance Budget) to include amounts necessary for the operation of the CoRA and the administration of the unexpended Title XX Funds. The amount allocated to the Governance Budget shall not exceed Five Million Dollars (\$5,000,000.00) (Amended Governance Budget) for the term of this Agreement.

B. The Corporation can only access the funds in the Amended Governance Budget for reimbursements of expenditures related to the execution of the Services.

Exhibit B

C. The Corporation shall develop an annual budget of administrative expenses (Corporation Budget). Starting January 1, 2004, the Corporation must submit its Corporation Budget to the City for each year prior to the draw down of any funds from the amended Governance Budget.

D. The Corporation must utilize the process developed by the City (see Section XI of this Agreement below) to draw down funds from the unexpended Title XX Funds.

E. The City shall not be obligated to provide any other funds or compensation to the Corporation except as outlined in this section.

VI. TERM

A. The term (Term) of this Agreement shall commence on May ____, 2003 (Commencement Date) and expire on January 1, 2010, unless otherwise terminated in accordance with Section VII below.

VII. TERMINATION

A. This Agreement may be terminated by the City without Cause (as defined in Section VII.C. below) by written notice of termination no less than sixty (60) days prior to the termination date sought.

B. This Agreement may be terminated for Cause if, (i) no less than thirty (30) days prior to the termination date sought, the party seeking to terminate the Agreement provides the other party with a written notice of termination listing the Cause(s) for termination and the details thereto, and (ii) the lapse of an additional fifteen (15) day cure period wherein the recipient of the written notice of termination is unable or unwilling to cure the Cause(s) for termination.

C. For purposes of this Agreement, "Cause" shall mean substantial and ongoing non-performance by the Corporation, or moral turpitude or criminal conduct by either party.

VIII. FORCE MAJEURE

A. If the performance of Services by the Corporation is prevented, suspended, or postponed during the Term hereof by reason of any extended illness, fire, casualty, lockout, labor strike, riot, war, Act of God, or by ordinance, law, order or decree of any legally constituted authority (hereinafter, "*Force Majeure Event*"), then during such Force Majeure Event this Agreement may, at the option of the City, be suspended during the continuance of such Force Majeure Event. In the event that any such suspension

Exhibit B

described above continues for a period or aggregate of periods of forty-five (45) days, the parties may terminate this Agreement by mutual written consent.

IX. PERSONNEL AND ADMINISTRATION

A. To ensure the proper performance of the Services, the City authorizes the Corporation to hire and enter into a service contract with a Subcontractor (defined herein as an organization or firm, into which the Corporation enters a contractual agreement to staff the Corporation to implement its policies and procedures) to perform all of the Services outlined in Exhibits A and B; and with Consultants (defined herein as an organization or firm, into which the Corporation enters a contractual agreement to staff the Corporation to implement its policies and procedures) to perform portions of the Services outlined in Exhibits A and B.

B. The Corporation warrants that all Subcontractors and Consultants engaged by the Corporation to perform all or parts of the Services shall be fully qualified and authorized to perform the Services under Federal, State, and City laws, rules and regulations.

C. The Corporation must take all reasonable and necessary steps to ensure that Subcontractors and Consultants hired by the Corporation pursuant to Section IX. A. above must perform their services to the Corporation in compliance with all statutes, laws, rules and regulations of the Federal, State and local jurisdictions in general and those pertaining to the execution of services related to the RC Program and the administration of the unexpended Title XX Funds specifically.

D. The City shall have the right of prior approval of all Subcontractors and Consultants hired by the Corporation to perform all or part of the Services. Each Subcontractor or Consultant so hired shall devote such time, attention, skill, knowledge and ability as is necessary to perform the Services in a manner that is acceptable to the City in its sole discretion.

E. The relationship of the Corporation to the City is that of an independent contractor and neither party to this Agreement shall claim any liability benefits, such as worker's compensation, pension rights or liabilities arising out of or related to a contract for hire or employer/employee relationship, and no such liabilities or benefits shall arise or accrue to either party or either party's agent, Subcontractor, Consultant or employee with respect to the City as a result of the performance of this Agreement.

X. REPORTING AND ACCOUNTABILITY

A. The Corporation shall comply and perform all reporting, record keeping, audits, accounting, due diligence and monitoring required by Title XX authorizing statutes (42 U.S.C. Section 1397f) and the Renewal Community authorizing statutes (26 U.S.C. Sections 1400E – J); related regulations; other federal statutes, regulations, rules

Exhibit B

and guidance; and, State and City statutes, ordinances, regulations, rules and guidance as they may relate to the Corporation's execution of the Services.

B. The Corporation shall provide to the City (see Section XV B. of this Agreement below), together with the quarterly reports required in Sections X.C-F hereof, copies of all documents submitted to or received from any agency of the Federal or State governments in conjunction with the execution of the Services, including but not limited to all such documents related to Section X. A. of this Agreement. Notwithstanding the foregoing, where such documents may impact the structure, governance or fiscal stability of the Corporation, the Corporation shall provide copies of such documents within 2 business days of receipt thereof.

C. The Corporation shall provide to the City on a quarterly basis an Informational Summary of all activities and actions taken in conjunction with the Corporation's execution of the Services and adherence to the provisions of this Agreement.

D. The Corporation shall provide to the City on a quarterly basis a financial accounting of all Title XX Funds drawn down from the State of Georgia's Department of Community Affairs (DCA); benchmark and benchmark activities funded with Title XX Funds; and, service providers in receipt of Title XX Funds.

E. The Corporation shall provide to the City on a quarterly basis a financial reconciliation of the use of Title XX Funds as compared to the financial records of DCA for Title XX draw downs.

F. The Corporation shall provide to the City on a quarterly basis a performance report for each benchmark activity funded with Title XX Funds, including information on benchmark, benchmark activity, service provider, activity funded, and performance as measured against goals set to receive funding.

XI. PROCESSES FOR ADMINISTRATION OF TITLE XX FUNDS

A. The Corporation shall use the processes developed by the City with regards to the draw down of Title XX Funds from DCA and rebenchmarking of Title XX Funds.

B. The processes developed by the City with regards to Section XI. of this Agreement shall be incorporated in this Agreement as an Exhibit at such time as the processes are developed in final form; and, each party to this Agreement does now hereby agree to be bound by the provisions thereof as if said Exhibit was attached to the Agreement at the time of its execution.

C. At the City's request, the Corporation may submit to the City processes for rebenchmarking for the City's final approval.

Exhibit B

D. The processes for drawing down Title XX Funds and rebenchmarking shall not be amended by the Corporation without the written approval of the City.

E. The Corporation shall administer the Title XX Funds in accordance with the Integrated Title XX Strategic Plan (defined herein as a plan based upon the amended EZ Strategic Plan, the amended benchmarks, the RC Strategic Plan and other economic and human services development plans for the region) for the use of Title XX Funds developed during the rebenchmarking process. The Corporation shall not amend the Integrated Title XX Strategic Plan without the written approval of the City.

F. The Corporation shall maintain a banking account in the name of the Corporation for the exclusive purpose of drawing down Title XX Funds from DCA. Copies of all bank records must be submitted to the City in accordance with Section X of this Agreement.

XII. CONFLICT OF INTEREST

A. The Corporation shall adopt a conflict of interest policy that meets or exceeds the minimum standards contained in the Atlanta Empowerment Zone Corporation, Conflict of Interest Policy as revised February 2000, 45 CFR Part 96, HUD 24 CFR Part 85, and the provisions set forth in this Agreement.

B. In addition to the minimum standards addressed in Section XIIA. above, the Corporation's conflict of interest policy must also include provisions to ensure that: i.) members of the Corporation's board of directors shall not be named as service providers or receive Title XX Funds in exchange for the performance of a benchmark activity; ii.) that Subcontractors or their employees or officers shall not be board of director members; iii.) that a Subcontractor shall not be considered in conjunction with a request for proposal (RFP) or a request for qualifications (RFQ) pursuant to a process to name a service provider for a particular benchmark activity.

C. Notwithstanding the foregoing, a Subcontractor shall be permitted to partner with the impacted neighborhoods of the CoRA to plan for and to provide programmatic services needed to accomplish benchmarks of the Amended Strategic Plan. In addition, the Board of Directors may permit an entity (including a Subcontractor) to complement or supplement the service capacity of a chosen service provider's ability to execute a benchmark activity, provided the service provider requests the services of the entity in written form.

XIII. INDEMNIFICATION

A. The Corporation shall indemnify the City and hold it harmless against any losses, claims, damages or liabilities to which the City may become subject to, arising in any manner out of or in connection with acts taken or omitted to be taken (including any untrue statements made or statements omitted to be made) by the Corporation, its

Exhibit B

employees, Subcontractors or Consultants, or otherwise arising out of or in connection with the Corporation's, its employees', Subcontractors' or Consultants' rendering of the Services hereunder, unless in a final adjudication, it is determined that such losses, claims, damages, or liabilities arose out of the gross negligence or gross misconduct of the City, to the extent that the City's governmental immunity does not apply.

B. Notwithstanding anything to the contrary contained herein, the Corporation, its employees, Subcontractors, and Consultants shall not be liable for acts or statements made prior to the Corporation's execution of this Agreement. Specifically, the Corporation shall not be liable for violations of any Federal, State or City statute, law, ordinance, regulation, or guidance in connection with the administration of the Title XX Funds or the management of the RC Program that occurred prior to the Corporation's execution of this Agreement.

C. The City shall indemnify the Corporation, its employees, Subcontractors and Consultants (each an "Indemnified Party") and hold each Indemnified Party harmless against any losses, claims, damages or liabilities to which such Indemnified Party may become subject to, arising in any manner out of or in connection with acts taken or omitted to be taken (including any untrue statements made or statements omitted to be made) by any person, corporation, or Federal, State or local government or agency of such government, or otherwise arising out of or in connection with the management of the RC Program or the administration of the Title XX Funds which occurred prior to the Corporation's execution of this Agreement. Specifically, the City shall indemnify and hold harmless against any loss, claim, damage or liability to which such Indemnified Party may become subject to, arising from the violation of any Federal, State or City statute, law, ordinance, regulation or guidance committed by any person, corporation or governmental entity in connection with the administration of the Title XX Funds or the management of the RC Program that occurred prior to the Corporation's execution of this Agreement.

D. Notwithstanding anything to the contrary contained herein, neither party shall be liable for consequential, incidental, punitive, special, exemplary or indirect damages, or lost profits in connection with claims made by either party or any other third party, in connection with this Agreement regardless of the form, or whether in contract or tort.

XIV. ASSIGNMENT OF AGREEMENT

A. This Agreement, the Corporation's obligations hereunder, and the City's obligation's hereunder shall not be assignable by the City or the Corporation without the written consent of the other party.

XV. MISCELLANEOUS

A. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State without regard to the conflict of laws principles

Exhibit B

thereof. The parties hereby agree to submit to the jurisdiction of the courts of the State of Georgia for the purpose of resolving any dispute arising out of or resulting from this Agreement.

B. Notices. All notices, reports and statements required hereunder shall be in writing and delivered, certified or registered first class mail (postage prepaid and return receipt requested), or via overnight delivery to the addresses set forth below unless notification of a change of address is given in writing. Notice may be sent via confirmed facsimile transmission but a hard copy must also be mailed. Notice shall be deemed given when mailed and faxed as follows:

If to Corporation: _____ C/o Atlanta Neighborhood
Development Partnership, Inc. Ms. Hattie Dorsey or Mr.
Ray Kuniarsky

100 Peachtree Street
Suite 700
Atlanta, Georgia 30303
Facsimile Number: (404) 523-4357 _____

If to City: Mr. Charles C. Graves, III, Commissioner
Department of Planning and Community Development
55 Trinity Avenue
Atlanta, GA 30303
Facsimile Number: (404) 658-7638
and
Ms. Stacey Y. Abrams, Deputy City Attorney
Department of Law
68 Mitchell Street
City Hall Towers, Suite 4100
Atlanta, Georgia 30303
Facsimile Number: (404) 658-6894

C. No Waiver. The waiver of any breach of this Agreement either by the City or Corporation of any rights, remedies or defenses is not intended and will not be deemed a waiver of any additional rights, remedies or defenses to which such party would be entitled at law or in equity as to such breach. In addition, no waiver by either party of a breach of any term or provision of this Agreement will be construed to be a waiver of any proceeding or succeeding breach of the same or any other term or provision.

D. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument and may be delivered via electronic transmission with the same force and effect as if it were executed and delivered by the parties simultaneously in the

Exhibit B

presence of one another.

E. Headings. The headings to the Sections of this Agreement are for convenience only and shall not be considered a part of this Agreement or be used in determining the intent of the parties.

F. Severability. If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely approximating the intention of the parties as expressed herein.

G. Survival. The provisions of Section XIII (Indemnification) shall survive the expiration or early termination of this Agreement.

H. Modifications or Extensions. Except as otherwise provided herein, this Agreement may only be modified or extended by a written agreement signed by both parties.

I. Entire Agreement. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, supersedes all previous written or verbal agreements between the parties, including but not limited to all representations, warranties, statements, correspondence, and understandings previously made by Corporation or the City with respect to the subject matter of this Agreement.

* * * *

{Signatures on Following Page}

Exhibit B

IN WITNESS WHEREOF, the City and Corporation have caused this Agreement to be executed as of _____, 2003.

Atlanta Renewal Community CoRA, Inc.

The City of Atlanta

By: _____

By: _____

Mayor Shirley Franklin
The City of Atlanta

Exhibit B

EXHIBIT A

SCOPE OF RC SERVICES

Pursuant to Section IV. Scope of Service, of the Agreement between Corporation and City signed _____, the following Services shall be performed by the Corporation on behalf of the City:

1. Develop a Community Revitalization Deduction (CRD) Allocation Plan with significant input from the community to be submitted to the State for approval.
2. Expand and implement RC marketing plan developed and submitted to HUD as a part of the Tax Incentive Utilization Plan.
3. Develop prioritized list of all substandard commercial structures and vacant lots in the RC.
4. Develop target list of commercial developers.
5. Develop list of all businesses located in the RC.
6. Develop list of all brownfields located in the RC.
7. Develop target list of economic clean up firms.
8. Develop and implement strategy for gifting, granting, or selling at below cost surplus commercial structures and unimproved land to nonprofits and/or developers.
9. Develop and implement strategy to reduce, remove, simplify or streamline governmental processes for development, permits, and commercial licensing.
10. Develop and implement strategy to reduce barriers to competition with regards to business activities that do not require a professional degree and do not create a nuisance.
11. Promote the economic growth of the RC by marketing coordinated development strategies that leverage Federal, State and City incentives to interested parties.
12. Foster the success of the RC program by marketing the benefits of the RC program to interested parties, including accounts, tax attorneys, businesses, developers and the community.
13. Otherwise implement the RC Strategic Plan comprised of the Tax Incentive Utilization Plan and the Application for the RC.

Exhibit B

14. Promote the economic well-being of the families in the RC and EZ neighborhoods by supporting promising and effective efforts to increase employment, income, savings and assets.

EXHIBIT B

SCOPE OF TITLE XX ADMINISTRATION

Pursuant to Section IV. Scope of Services, of the Agreement between Corporation and City signed _____, and in addition the provisions of the Agreement, the Corporation shall perform the following Services on behalf of the City:

1. Facilitate the creation of an Integrated Title XX Strategic Plan that ensures a continuing commitment to improving the economic well-being of the families who live in EZ/RC neighborhoods by supporting and investing in promising efforts to increase employment, income, savings and assets.
2. Facilitate a rebenchmarking process that is consistent with the Integrated Title XX Strategic Plan.
3. Administer the remaining Title XX Funds in accordance with the Integrated Title XX Strategic Plan.
4. Perform all other functions as outlined within this Agreement.